

**9th Annual Report 2010-2011**

**FIRST WINNER LIFESTYLE LIMITED**

**BOARD OF DIRECTORS**

**SHRI RINKU I. PATODIA**

**SMT. ANITA R. PATODIA**

**SHRI ANIL GUPTA**

**AUDITORS**

**M/S. PRAFUL M. JOSHI**

**BANKERS**

**STATE BANK OF INDIA**

**I.F.B SAKINAKA BRANCH , ANDHERI (E)**

**MUMBAI**

**REGISTERED OFFICE**

**605, BUSINESS CLASSIC,  
CHINCHOLI BUNDER ROAD,  
MALAD (WEST), MUMBAI – 400064.**

**T. 28802255/99 Fax: 28812288**  
**e-Mail: [firstwinner@indiaitmes.com](mailto:firstwinner@indiaitmes.com)**

## **FIRST WINNER LIFESTYLE LIMITED**

### **DIRECTORS' REPORT**

The Directors have pleasure in presenting their Ninth Annual Report and Accounts for the year ended March 31, 2011

### **FINANCIAL RESULTS**

	2010-11 Rupees	2009-2010 Rupees
Profit before depreciation and tax	63277490	62180712
Less: Depreciation	22473348	22108824
Profit after depreciation but before tax	40804142	40071888
Less: Provision for tax	8550226	6672332
Deferred tax	8299795	10970590
Fringe Benefit tax	--	--
Short provision of earlier year	--	--
Profit after tax	23954121	22428966
Add: Balance brought forward from previous year	102983233	80554267
Balance carried forward	126937354	102983233

### **DIVIDEND**

The directors do not recommend payment of dividend keeping in view the requirement of surplus funds for your Company's future growth. They trust the shareholders will appreciate their efforts for the future growth of your Company.

### **DEPOSITS**

The Company has not accepted any deposits pursuant to section 58A of the Companies Act, 1956 and the Rules framed there under including Companies (Acceptance of Deposits) Rules, 1975.

### **AUDITORS' REPORT**

The Auditors' report to the shareholders does not contain any qualifications.

### **DISCLOSURE OF PARTICULARS**

Information as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in Annexure forming part of this Report.

### **PERSONNEL**

The Board of Directors wishes to express its appreciation for the outstanding contribution made by employees to the operations of the Company during the year.

#### PARTICULARS OF EMPLOYEES

None of the Employee is in receipt of remuneration up to the limits prescribed under Section 217(2A) of the Companies Act, 1956 and the Rules made there under.

#### DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- i. that in the preparation of the annual accounts, the applicable Accounting Standards have been followed and there has been no material departure;
- ii. that the selected Accounting Policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit or loss of the company for the year ended on that date;
- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. that the annual accounts have been prepared on a going concern basis.

#### AUDITORS

The Auditors M/s. Praful M. Joshi, Chartered Accountants, holds office until the conclusion of the forthcoming Annual General Meeting and recommended for re-appointment.

#### ACKNOWLEDGEMENT

The Board of Directors thanks the Banks, Central and State Government authorities and all the stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board  
For First Winner Lifestyle Limited  
Rinku Patodia  
Chairman

Mumbai, 30<sup>th</sup> August, 2011

Registered Office:  
605, Business Classic,  
Chincholi Bunder Road,  
Malad (West), Mumbai-400 064.

## **FIRST WINNER LIFESTYLE LIMITED**

Annexure to the Directors' Report

Statement pursuant to Section 217(1) (e) of the Companies Act, 1956 and Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988:

### **[A] CONSERVATION OF ENERGY:**

The Company has taken the necessary steps to minimize the energy consumption and conserve the same to the fullest extent possible.

### **[B] TECHNOLOGY ABSORPTION:**

The constant efforts are made by the Company to upgrade the technology so as to improve the quality of the products.

### **[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**

1. Foreign Exchange earned	:	NIL
2. Foreign Exchange used	:	NIL

By Order of the Board of Directors  
For First Winner Lifestyle Limited

Rinku Patodia  
Chairman

Mumbai, 30<sup>th</sup> August, 2011

Registered Office:  
605, Business Classic,  
Chincholi Bunder Road,  
Malad (West), Mumbai-400 064.

## **Auditors' Report**

To

The Members of

First Winner Lifestyle Ltd.

We have audited the attached Balance Sheet of Firstwinner Lifestyle Limited [Formally known as Real Gold Exports Private Limited] as at 31<sup>st</sup> March 2011, the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order 2004 issued by Central Government of India, in terms of section 227(4A) of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
2. Further to our comments in the Annexure referred to in paragraph (1) above, we report that:
  - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;;
  - b. In our opinion, proper books of account, as required by law have been kept by the company, so far as appears from our examination of those books;
  - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
  - d. In our opinion the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e. On the basis of written representation received from the Directors, as on 31<sup>st</sup> March 2011 and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31<sup>st</sup> March 2011 from being appointed as a Director in terms of section 274(1)(g) of the companies Act, 1956.
  - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in so far as it relates to the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2011;
- ii) in so far as it relates to the Profit & Loss Account, of the profit for the year ended on that date.

For Praful M. Joshi  
Chartered Accountants

Place : Mumbai

Date : 30.08.2011

(Praful M. Joshi- Proprietor)  
Membership No. 100/30276

**Annexure to the Auditors Report for year ended 31<sup>st</sup> March 2011**

(Referred to in paragraph 1 of our report of even date)

- 1 a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
b) As explained to us the management has physically verified the fixed assets during the year and no material discrepancies were noticed on such verification.  
c) In our opinion and as per the information and explanations given to us, the Company has not disposed off any substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- 2 a) As explained to us, inventories have been physically verified by the management at reasonable intervals.  
b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.  
c) On the basis of our examination of inventory records, we are of the opinion that the company is maintaining proper records of inventory. As explained to us, no material discrepancies have been noticed on physical verification of inventories as compared to book records.
- 3 a) The Company has not taken any loans, secured or unsecured from companies, firms or parties covered in the register maintained under section 301 of the Companies Act, 1956.  
b) The Company has not given any loans, secured or unsecured from companies, firms or parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements, that needed to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
b) In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and material and sale of goods, material and services made in pursuance of contract or arrangement entered in the register maintained under section 301 and aggregating during the year to Rs. 5,00,000 (Rs. Five Lacs Only) or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time for such goods, material and services have been made with other parties.
6. The Company has not accepted any deposits from the public, with in meaning of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 including the Companies (Acceptance of Deposit) Rules 1975.
7. In our opinion the company has an internal audit system commensurate with the size and nature of its business.

8. We have broadly reviewed the Cost Accounting records, maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of the cost records under the clause (d) of the sub-section (1) of section 209 of the Act, and are of the opinion that, prima facie, the prescribed records have been maintained. We are, however, not required to make a detained examination of such books and records.
9. a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March 2011 for a period of more than six months from the date of becoming payable.  
b) According to the information and explanations given to us, there are no such statutory dues, which have not been deposited on account of any dispute.
10. The company has positive net worth at the end of the financial year. The company has no accumulated losses and has not incurred any cash losses during the current financial year and immediately preceding financial year.
11. According to the information and explanation given to us and as per the books and records examined by us, the Company has not defaulted in repayment of dues to any financial institutions or banks. The company has not issued any debentures.
12. According to the information and explanation given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company does not fall within the category of Chit Fund / Nidhi / Mutual Benefit Fund/ Society and hence the related reporting requirements of the Orders are not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments and hence the related reporting requirements of the Order are not applicable.
15. The Company has given a guarantee jointly with other company to financial institution and bank for loan taken by others from the financial institution and bank, the terms and conditions of which are not prima facie, prejudicial to the interest of the Company.
16. According to the information and explanations given to us, the company has not raised any new term loan during the year.
17. According to the information and explanations given to us and as per the books and records examined by us, as on the date of the Balance Sheet, the funds raised by the Company on short term basis not been applied for long term investment.
18. During the year, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.



19. The company did not have any outstanding debentures during the year.
20. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practice in India, we have neither come across any instance of fraud on or by the Company, noticed and reported during the year, nor have we been informed of such case by the management.

For Praful M. Joshi  
Chartered Accountants

Place : Mumbai  
Date : 30.08.2011

(Praful M. Joshi- Proprietor)  
Membership No. 100/30276

**FIRST WINNER LIFESTYLE LIMITED**  
(FORMERLY KNOWN AS REAL GOLD EXPORTS PVT. LTD.)  
**BALANCE SHEET AS AT 31ST MARCH 2011**

Particulars	Schedule	As at 31.03.2011 (Amt. in Rs.)	As at 31.03.2010 (Amt. in Rs.)
<b><u>SOURCES OF FUNDS</u></b>			
<b>Shareholder Funds</b>			
Share Capital	1	24,750,000	20,750,000
Share Application Money		50,000,000	80,000,000
Reserves & Surplus	2	369,187,354	269,233,233
		<b>443,937,354</b>	<b>369,983,233</b>
<b>Borrowed Funds</b>			
Secured Loan	3	402,512,323	383,269,714
		<b>402,512,323</b>	<b>383,269,714</b>
<b>DEFERRED TAX</b>			
	4	48,705,830	40,406,035
<b>TOTAL</b>		<b>895,155,507</b>	<b>793,658,982</b>
<b><u>APPLICATION OF FUNDS</u></b>			
<b>Fixed Assets</b>			
Gross Block	5	507,080,582	500,755,673
Less:-Depreciation		58,583,754	36,110,408
<b>Net Block</b>		<b>448,496,828</b>	<b>464,645,266</b>
<b>Investments</b>	6	31,820,000	30,170,000
<b>Current Assets, Loans &amp; Advances</b>	7	654,531,043	514,472,143
<b><u>Less :-Current Liabilities And Provisions</u></b>			
Current Liabilities	8	217,144,265	201,758,417
Provision For Fringe Benfit Tax			90,610
Provision For Taxation		22,732,402	14,091,566
		<b>239,876,667</b>	<b>215,940,593</b>
<b>Net Current Assets</b>		<b>414,654,376</b>	<b>298,531,549</b>
<b>Miscellaneous Expenditure</b>	9	184,303	312,167
(To the extend not written off or adjusted)			
<b>TOTAL</b>		<b>895,155,507</b>	<b>793,658,982</b>

Significant Accounting Policies  
Notes & Schedules 1 TO 14 forming part of Accounts  
As per our report of even date attached

14

**For Praful M. Joshi**  
Chartered Accountants

**For First Winner Lifestyle Ltd.**  
(Formerly Known as Realgold Exports Pvt. Ltd.)

(Praful M. Joshi - Proprietor)  
Membership No. 100/30276  
Place: Mumbai  
Date: 30.08.2011

**Director**

**Director**